



City of Pflugerville

Legislation Details (With Text)

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Title: Approving an agreement with Manville Water Supply Corporation (WSC) for acquisition of water Certificates of Convenience and Necessity (CCN) areas within the city limits and authorizing the City Manager to execute same.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A, 2. Exhibit B Referenced documents on file with City Secretary

Date	Ver.	Action By	Action	Result
11/12/2019	1	City Council	Approved as amended	Pass

Approving an agreement with Manville Water Supply Corporation (WSC) for acquisition of water Certificates of Convenience and Necessity (CCN) areas within the city limits and authorizing the City Manager to execute same.

The City has been engaged in intermittent negotiations with the Manville WSC since terms for a water CCN exchange contract was agreed upon in 2015. The parties have been actively engaged to develop a contractual agreement based on these terms over the last several months. The first of two contracts to be considered is for areas of CCN acquisition that are within the Pflugerville City Limits. A second contract will come forward for Council consideration in the next few weeks related to CCN acquisition areas in the city's extraterritorial jurisdiction (ETJ).

The primary reason for this acquisition is to afford both utility providers the opportunity to perform long range planning and development of utilities and system infrastructure. The proposed acquisition areas have been incorporated in the draft water master plan and water impact fee study based on land use assumptions and population projections vetted and approved by the City Council in 2018.

The proposed acquisition area as shown, consisting of 2481 acres within the city limits at a rate of \$1400/acre, results in a total consideration of \$3,473,400. Upon approval and execution of the agreement by the City and Manville, the Agreement requires the funds to be placed in an escrow account until the transfer of the CCN is approved by the Texas Public Utility Commission (PUC) who administers CCNs. Manville is scheduled to consider this agreement on November 14, 2019.

The proposed acquisition areas, as reflected on Exhibit A, are generally located along either side of SH 45 between Heatherwilde Blvd and FM 685. This area includes an additional 155.1 acres in the former North Travis County MUD 5 but consideration has already been resolved for this component of the total acquisition area. Most of the land in this area is vacant or in agricultural use, but is under significant development pressure. The other dominant area identified on Exhibit A is in the southeast quadrant of the city limits in the vicinity of Pecan Street and Weiss Lane. This area includes the

Carmel Subdivision and the Weiss High School campus. Two additional campuses (elementary 22 and middle school 7) are anticipated to go to construction in early 2020, all of which is already served by the City of Pflugerville. Vacant, developable land as well as 1849 Park are also included in this acquisition area.

Mayor Pro Omar Peña has assisted City staff throughout this process.

Prior City Council Action

In March 2014, the contract for the purchase and sale of wholesale water, for the termination of pre-existing contracts and related matters was authorized.

Deadline for City Council Action

Consideration is requested on November 12, 2019

Funding Expected: Revenue ☐ Expenditure ☒ N/A ☐

Budgeted Item: Yes ☐ No ☒ N/A ☐

Amount: \$3,473,400 from City Utility Fund Balance

1295 Form Required? Yes ☒ No ☐

Legal Review Required: N/A ☐ Required ☒ Date Completed: November 4, 2019 by Special Counsel

Supporting documents attached:

Agreement

Exhibit A

Exhibit B (Table of Contents for Annexation Ordinances which are on file with City Secretary)

Recommended Action

Approve agreement with Manville Water Supply Corporation for acquisition of water Certificates of Convenience and Necessity (CCN) areas within the city limits and authorizing the City Manager to execute same.